

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

New England Gas Company, Fall River Service Area

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DTE 06-GAF-P6

**MOTION OF NEW ENGLAND GAS COMPANY FOR
PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

New England Gas Company (“NEGC” or “Company”) hereby requests that the Department of Telecommunications and Energy (“Department”) grant protection from public disclosure of certain confidential, competitively sensitive and proprietary information submitted in this proceeding in accordance with G.L. c. 25, § 5D.

I BACKGROUND

On September 1, 2006, NEGC filed copies of all invoices supporting its 2006 Peak period gas costs for its Fall River Service Area. The Company requests that certain price provisions of these invoices be protected from public disclosure. The Company has provided a summary of the invoices enclosed as part of its public filing in the above docket. Specifically, NEGC requests that certain price components pertaining to purchases from Algonquin Gas Transmission, LLC; ConocoPhillips Company; Distrigas of Massachusetts, LLC; Duke Energy; Texas Eastern Transmission, LP; and LP Transportation, Inc., be protected until one year after the expiration of these contracts. This price information is negotiated in an open and competitive market and public disclosure would compromise NEGC’s future bargaining position.

II LEGAL STANDARD

Confidential information may be protected from public disclosure in accordance with G.L. c. 25, § 5D, which states in part that:

The [D]epartment may protect from public disclosure, trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings conducted

pursuant to this chapter. There shall be a presumption that the information for which such protection is sought is public information and the burden shall be on the proponent of such protection to prove the need for such protection. Where the need has been found to exist, the [D]epartment shall protect only so much of the information as is necessary to meet such need.

In past decisions, the Department has found that price terms in gas supply contracts are subject to protection from disclosure under the statute. Colonial Gas Company, D.P.U. 96-18, at 4 (1996).

In that case, the Department granted Colonial's request to protect pricing information that included reservation fees, demand charges, commodity charges and other charges. Id. See also, KeySpan Peak Gas Cost and LDAF Reconciliation Filing, D.T.E. 05-GAF-P5 (Motion for Confidential Treatment, approved November 1, 2005); Standard of Review for Electric Contracts, D.P.U. 96-39, at 2 (1996) ("The Department will continue to accord protective status when the proponent carries its burden of proof by indicating the manner in which the price term is competitively sensitive....").

III BASIS FOR CONFIDENTIAL TREATMENT

The Department has long recognized the gas industry's concerns regarding disclosure of contract price terms in a competitive marketplace and has made an effort to ensure that its review process does not undermine an LDC's efforts to negotiate low cost flexible supply contracts for the benefit of its customers. The Berkshire Gas Company et al., D.P.U. 93-187/188/189/190, at 20 (1994). In that regard, the Department has consistently held that price information is competitively sensitive for the purposes of G.L. c. 25, § 5D. See Colonial Gas Company, D.P.U. 96-18 at 4 (1996).

Consistent with this precedent, the Company seeks protection for certain price and financial terms that are confidential, commercially sensitive, and proprietary from public disclosure. NEGC and the companies listed in § 1 of this Motion are active participants in the

gas marketplace, and as such the rates and financial terms included on the invoices in question were the result of negotiations and represent unique features of value to NEGC and the named companies. Release of those price and financial terms could significantly hinder the parties in negotiating future agreements, would compromise the Company's future bargaining position, and could have an adverse affect on the pricing terms the Company is able to achieve for its ratepayers. This material, therefore, must remain confidential to preserve both NEGC and the named companies' ability to function effectively in a competitive gas supply marketplace.

IV CONCLUSION

For the reasons cited above, the pricing terms negotiated and agreed to by NEGC and the market participants listed above are confidential, commercially sensitive and proprietary. Disclosure on the public record would be detrimental to the public interest and would compromise NEGC's future bargaining position with these and other companies in the natural gas marketplace. Accordingly, the pricing terms should be protected from public disclosure until one year after the expiration of these contracts in accordance with G.L. c. 25, § 5D.

For all the reasons cited above, the Company respectfully requests that the Department grant this Motion for Protective Treatment.

Respectfully submitted,
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Manager, Regulatory Affairs
New England Gas Company

Dated: September 1, 2006